

TEXAS OIL & GAS CORP.

1800 LINCOLN CENTER BUILDING
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

April 8, 1980

Ms. Bonnie Melendez
Utah Division of Oil, Gas & Mining
1588 West, North Temple
Salt Lake City, Utah 84116

Re: Application for Permit to Drill
Valentine Federal #2
Section 34-T16S-R25E
Grand County, Utah

Dear Ms. Melendez:

Please find enclosed an APD, 10 point plan, BOP Schematic, and location plat for the above referenced well.

If you should have any questions, please contact me. Thank you.

Very truly yours,

TEXAS OIL & GAS CORP.

Scott McGlochlin

Scott McGlochlin
Safety & Environmental
Administrator

RECEIVED

APR 10 1980

DIVISION OF
OIL, GAS & MINING

SM/vb
Enclosures

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒DEEPEN ☐PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☐GAS
WELL ☒

OTHER

SINGLE
ZONE ☒MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Texas Oil & Gas Corp.

3. ADDRESS OF OPERATOR

1800 Lincoln Center Building, Denver, CO 80264

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*)

At 1627'2084'1639' FNL, 2062' FWL, Section 34-T16S-R25E SE NW

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

18 miles NW of Mack, Colorado

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

319'

16. NO. OF ACRES IN LEASE

360'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

320

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

5806'

19. PROPOSED DEPTH

4650'

Mammal

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

6017' GR

22. APPROX. DATE WORK WILL START*

May 1, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36# K-55 New	250'	Cement to Surface
6 1/4"	4 1/2"	10.5# K-55 New	4650'	Cement Top at 4000'

APPROVED BY THE DIVISION
OF OIL, GAS, AND MININGDATE: 5-5-80BY: M. J. Minder

RECEIVED

APR 10 1980

DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

L. A. VarelaTITLE Drilling & Production Manager DATE February 26, 1980

(This space for Federal or State office use)

PERMIT NO.

43-019-30640

APPROVAL DATE

5/5/80

APPROVED BY

TITLE

DATE

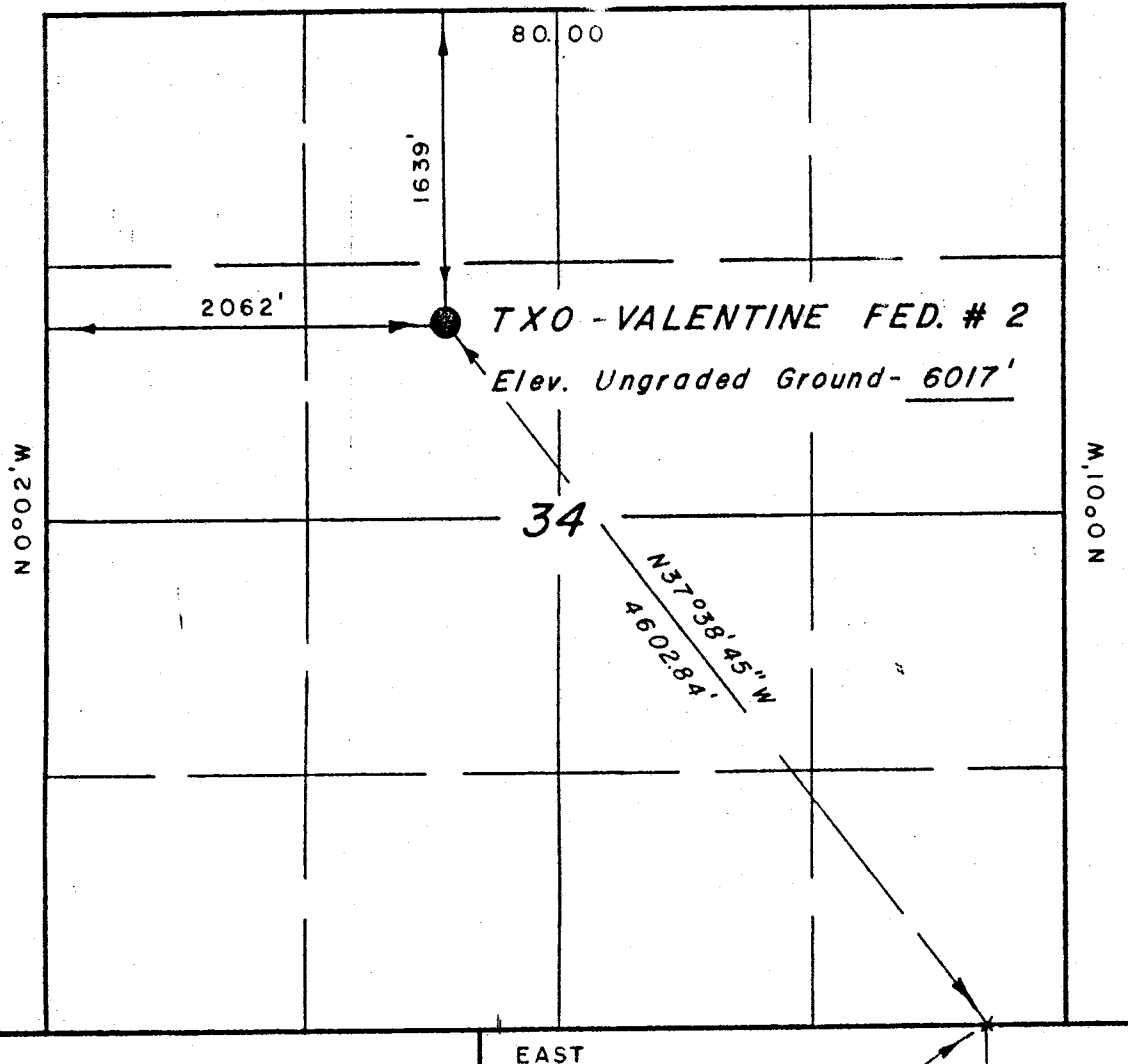
CONDITIONS OF APPROVAL, IF ANY:

T 16 S, R 25 E, S.L.B.&M.

E 1/2

N 89° 56' W

W 1/2



EAST

North 1/4 Cor. Sec. 3,
T 17 S, R 25 E, S.L.M.

X = Section Corners Located

PROJECT

TEXAS OIL & GAS

Well location, TXO-VALENTINE FED. #2,
located as shown in the SE 1/4 NW 1/4
Section 34, T 16 S, R 25 E, S.L.B. & M.
Grand County, Utah.

NOTE:

Basis of Bearings is from Solar
Observations.

EXHIBIT 2



CERTIFICATE

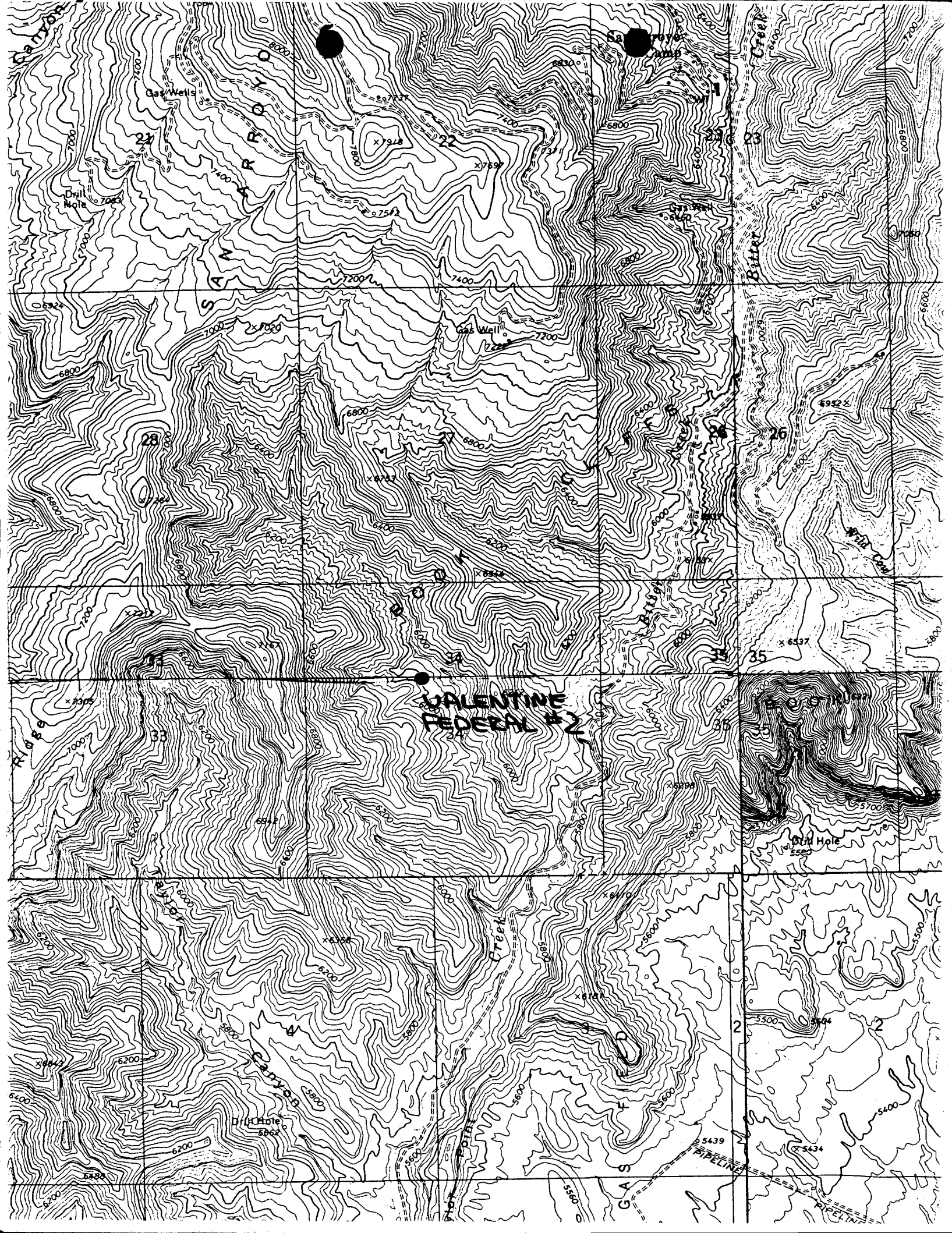
THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF

John T. Tackett

REGISTERED LAND SURVEYOR
REGISTRATION NO 3154
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
P.O. BOX Q - 110 EAST - FIRST SOUTH
VERNAL, UTAH - 84078

SCALE	1" = 1000'	DATE	2 / 20 / 80
PARTY	M.S. K.H. S.B.	REFERENCES	GLO Plat
WEATHER	Cold	FILE	TEXAS OIL & GAS



9-331-C ADDENDUM

TXO Valentine Federal #2
Section 34-T16S-R25E
Grand County, Utah

1. SURFACE FORMATION: Mancos
2. ESTIMATED FORMATION TOPS:

Dakota Silt	4235'
Dakota	4303'
First San Arroyos Sandstone	4315'
Second San Arroyos Sandstone	4345'
Third San Arroyos Sandstone	4365'
Fourth San Arroyos Sandstone	4395'
Buckhorn Sandstone	4465'
Morrison (Brushy Basin Member)	4495'
T.D.	4650'

3. ESTIMATED DEPTH AT WHICH OIL, GAS, WATER OR OTHER MINERAL BEARING ZONES ARE EXPECTED TO BE ENCOUNTERED:

Expected gas zones:

Fourth San Arroyos Sandstone	4395'
Buckhorn Sandstone	4465'

4. CASING PROGRAM AS PER FORM 9-331-C.
5. PRESSURE CONTROL EQUIPMENT:

- A. After surface casing is set, a double ram type blowout preventer with blind rams and pipe rams, with minimum working pressure of 2000 psi., will be installed. Refer to Exhibit 1.
- B. A choke control, fill and kill lines with minimum working pressure of 2000 psi will be installed.
- C. A rotating pack-off head will be installed above the blowout preventer to control flow while drilling with air.
- D. The equipment in A and B will be pressure-tested to 2000 psi before drilling surface pipe cement; and the blowout preventer will be tested for operations daily and during trips.

6. MUD PROGRAM:

0'	-	250'	Spud mud
250'	-	4650'	Air or air mist

7. AUXILIARY EQUIPMENT:

- A. A kelly cock will be used.
- B. A float valve will be run in the drill string above the bit.
- C. A sub with full opening valve will be kept on the derrick floor to stab into DP when kelly is not in use.

8. CORING, LOGGING, TESTING PROGRAM:

- A. No coring is anticipated.
- B. GR induction.
SNP-FDC-GR with caliper.

9. ABNORMAL CONDITIONS:

- A. No abnormal pressures or temperatures are expected.
- B. No hazardous gasses such as H₂S are expected.
- C. While drilling with gas or air, return fluids will be directed through the blow line to the reserve pit, located 125' from the wellhead. All open fires or ignition sources will be prohibited on location while gas or air drilling. A pilot flame will be maintained at the end of the blow line to ensure burning of return gasses that are combustible.

10. ANTICIPATED STARTING DATE:

Start location	May 1, 1980
Spud	May 30, 1980
Complete drilling	June 9, 1980
Completed, ready for pipeline	August 1, 1980

11. Productive zones will be perforated, tested and treated as necessary. Gas will be flared during testing. Produced water will be contained in the unlined drilling reserve pit. The extent of treatment of a zone (acidizing and/or frac-ing) can only be determined after the zone has been tested. A completion program will be furnished after drilling and logging.

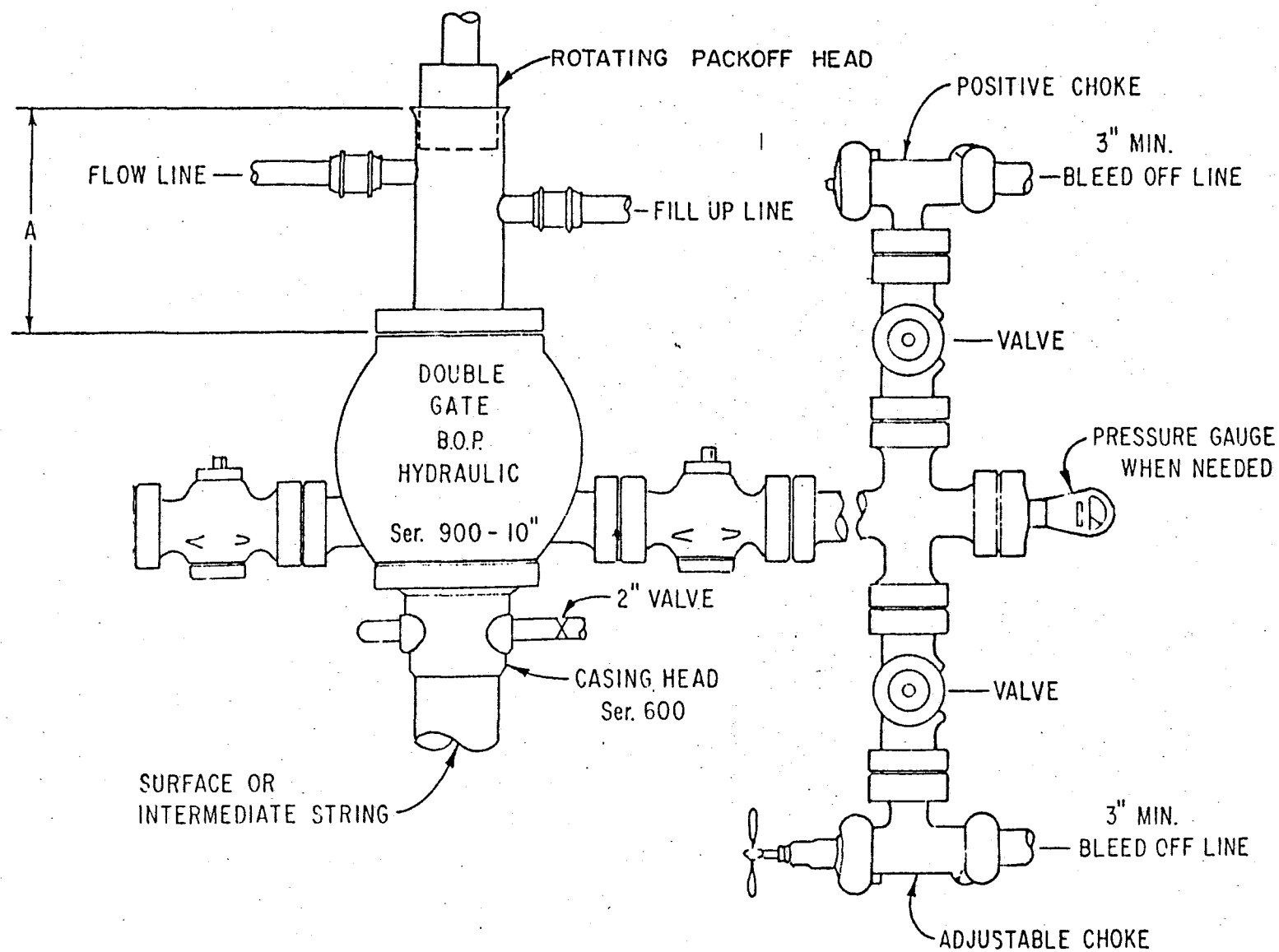


EXHIBIT I
 BLOWOUT PREVENTER DIAGRAM

Oil and Gas Drilling

EA No. 311-80

United States Department of the Interior
Geological Survey
2000 Administration Building
1745 West 1700 South
Salt Lake City, Utah 84104

USUAL ENVIRONMENTAL ASSESSMENT

Date May 16, 1980

Operator Texas Oil & Gas Corp. Well No. TX0 Valentine Fed. #2
Location 1627' FNL 2084' FWL Section 34 Township 16S Range 25E
County Grand State Utah Field/Unit San Arroyo
Lease No. U-38276 Permit No. _____

Prepared by: Glenn M. Doyle
Environmental Scientist,
Grand Junction, Colorado

Joint Field Inspection Date: April 9, 1980

Field Inspection Participants, Titles, and Organizations:

<u>Elmer Duncan, Jeff Robbins</u>	<u>Bureau of Land Management</u>
<u>Scott McGlochlin</u>	<u>Operator</u>
<u>Dallas Galley</u>	<u>Dirt Contractor</u>
<u>Glenn Doyle</u>	<u>U. S. Geological Survey</u>
_____	_____
_____	_____
_____	_____

Related Environmental Documents:

BLM-Moab, Book Mountain Unit Resource Analysis.

BLM-Utah, 1979, Final initial wilderness inventory, USDI, August, 50 pp.

→ Ck Sur (59) (250')
→ Cond of Appr
Pg 7
1-6

Admin Council?
Pad 150 x 225
Pg 20 x 15
8/10 mi x 20' new access
27/10 ac
→ Loc related to above pit mound
Pg 2

DESCRIPTION OF PROPOSED ACTION

Proposed Action:

1. Location State: Utah
 County: Grand

1627 ' F N L, 2084 ' F W L, SE ¼ NW ¼

Section 34, T16S, R25E, SLM

2. Surface Ownership Location: Public
 Access Road: Public

Status of Reclamation Agreements: Not Applicable

3. Dates APD Filed: 3/03/80
 APD Technically Complete: 3/14/80
 APD Administratively Complete: 4/25/80

4. Project Time Frame Starting Date: May 1980
 Duration of drilling activities: 10 days.

A period of 30 to 60 days is normally necessary to complete a well for production if hydrocarbons are discovered. If a dry hole is drilled, recontouring and reseeding would normally occur within one year; revegetation or restoration may take several years. If the well is a producer, an indefinite period of time would occur between completion and rehabilitation.

5. Related actions of other federal or state agencies and Indian tribes:

None known

6. Nearby pending actions which may affect or be affected by the proposed action:

None known

7. Status of variance requests:

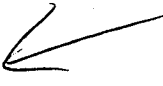
None known

The following elements of the proposed action would/could result in environmental impacts:

1. A drill pad 150' wide x 225' long and a reserve pit 20' x 150' would be constructed. Approximately 0.8 mile of new access road, averaging 20' in width, would be constructed from a maintained road. 2.7 acres of disturbed surface would be associated with the project.
2. Drilling

3. Waste disposal
4. Traffic
5. Water requirements
6. Completion
7. Production
8. Transportation of hydrocarbons
9. Other

Details of the proposed action are described in the Application for Permit to Drill.

The location was moved to reduce cuts and fills. Specifically, the location was rotated approximately 40-45°, the width reduced by 25', and the reserve pit moved to the northeast 25'. About 15-25' of cut was eliminated by this method, rehabilitation would be aided, and no safety hazards would be imposed upon the rig personnel. 

Environmental Considerations of the Proposed Action:

Regional Setting/Topography - The wellsite lies on a steep canyon slope which is about 200' above the easterly-trending main drainage. Steep, talus-flanked cliffs within the San Arroyo Canyon area surround the location.

PARAMETER

A. Geology - Surface is Mancos Shale. Other formations are listed in the 10-Point Subsurface Plan.

Information Source: Application to Drill.

1. Other Local Mineral Resources to be Protected: Prospectively valuable for coal in the Neslen Formation.

Information Source: ME, District Geologist.

2. Hazards:

- a. Land Stability: Location and access built on Mancos Shale. Material is stable, provided the slopes are moderate and moisture content is low.

Information Source: Application to Drill, Field observation.

- b. Subsidence: Subsidence can occur with the withdrawal of oil, gas, and/or water.

Information Source: Keller, Edward A., 1976, Environmental geology, Charles E. Merrill, 488 pp.

c. Seismicity: Seismic risk: low. Statistically, greatest damage would be moderate, corresponding to intensity VII of Modified Mercalli Intensity Scale, 1931.

Information Source: Algermissen, S. T., and Perkins, David M., 1977, Earthquake hazards map of the United States, Reprint from Earthquake Information Bulletin, 9(1) Jan-Feb., 4 pp.; von Hake, Carl A., Earthquake History of Utah, NOAA; Perkins, David M., 1974, Seismic risk maps, Reprint of Earthquake information bulletin, 6(6) Nov-Dec.

d. High Pressure Zones/Blowout Prevention: No high pressure zones expected. Blowout prevention systems detailed in APD.

Information Source: Application to Drill.

B. Soils

1. Soil Character: No detailed soil surveys done in area. Changes in soil fertility, horizons, slope stability, etc., cannot be predicted. Soils are considered nitrogen-poor, alkaline soils that support the salt-desert community.

Information Source: Field observation.

2. Erosion/Sedimentation: Erosion/sedimentation would increase as would runoff potential. Extent of increases unpredictable without site-specific studies being done.

Information Source: Field observation.

C. Air Quality - Wellsite lies in Class II attainment area. No Class I attainment areas are near, or adjacent to, proposed location.

Information Source: BLM-Moab, Book Mountain Unit Resource Analysis.

D. Noise Levels - Ambient noise levels temporarily elevated. Personnel safety could be jeopardized. Wildlife would avoid area.

Information Source: Field observation.

E. Water Resources

1. Hydrologic Character

a. Surface Waters: Steeply pitching, nonperennial drainages empty onto the wellsite and access road. Construction would level and fill these channels, none of which are major in size. Low water crossings would be built on access road.

Information Source: Bureau of Land Management, Field observation.

b. Groundwaters: Contamination to groundwaters through commingling with drilling fluids is possible.

Information Source: Field observation.

2. Water Quality

a. Surface Waters: No significant impacts to surface water quality is anticipated provided that produced and other potentially hazardous/contaminating fluids are retained within a competent reserve pit.

Information Source: Field observation.

b. Groundwaters: Operator proposes 250' of surface casing. Commingling of drilling fluids with potentially usable water could render groundwater unusable. Pits would be unlined.

Information Source: Application to Drill, Field observation.

F. Flora and Fauna

1. Endangered and Threatened Species Determination

Based on the formal comments received from the Bureau of Land Management on May 2, 1980, we determine that there would be no effect on endangered and threatened species and/or their critical habitat.

2. Flora: Construction would remove about 2.7 acres of vegetation increasing potential for non-point erosion and decreasing soil fertility.

Information Source: Application to Drill, Field observation.

3. Fauna: Vegetation removal reduces wildlife habitats and food sources. Deer are not known to winter in the area. No known migratory bird nesting areas, strutting or breeding grounds, or fish-spawning areas would be impacted by proposed action.

Information Source: BLM-Moab, Book Mountain Unit Resource Analysis. BLM-Utah, 1979, Final initial wilderness inventory, USDI, August, 50 pp.

G. Land Uses

1. General: Oil and gas operations, recreation, and grazing are major land uses. Amount and quality of land available to livestock, wildlife, and recreationists would be reduced during well life.

Information Source: Field observation.

2. Affected Floodplains and/or Wetlands: N/A

Information Source: Field observation.

H. Aesthetics: Operation would not blend with natural surroundings. Most likely unappealing to recreationists. Impact duration: life of well.

Information Source: Field observation.

I. Socioeconomics: The effect of one well on local and regional population and economy would be considered minor. If major discovery, then consider: Population increase, community services taxed, resources depleted, cumulative impacts multiply, pipelines and transportation routes expand.

Information Source: G. Doyle, Environmental Scientist, USGS.

J. Cultural Resources Determination: Based on the formal comments received from the Bureau of Land Management on May 2, 1980, we determine that there would be no effect on cultural resources subject to no stipulations.

Information Source: Bureau of Land Management.

K. Adequacy of Restoration Plans: Rehabilitation plan judged as adequate. Problems hampering restoration: a) Area subject to short growing season; b) limited precipitation during growing season; and c) generally, very little topsoil which has limited organic matter and is low in fertility.

Information Source: G. Doyle, Environmental Scientist, USGS.
David Oberwager, Env. Spec. (Reclamation), USGS-AOSO.

Alternatives to the Proposed Action:

1. Disapproving the proposed action or no action - If the proposed action is denied, no action would occur, the existing environment would remain in its present state, the lessee/operator would not realize any return on investments and the public would be denied a potential energy source.

2. Approving the project with the recommended stipulations - Under federal oil and gas leasing provisions, the Geological Survey has a responsibility to approve mineral development if the environmental consequences are not too severe or irreversible. Permanent damage to the surface and subsurface would be prevented as much as possible under USGS and Surface Management Agency supervision. Environmental impacts would be significantly mitigated.

Adverse Environmental Effects:

1. If approved as proposed:

a. About 2.7 acres of vegetation would be removed, increasing and accelerating erosion potential.

b. Pollution of groundwater systems ^{could} would occur with the introduction of drilling fluids into the aquifer(s). The potential for interaquifer leakage and lost circulation is ever-present, depending on the casing program.

c. Minor air pollution would be induced on a temporary basis due to exhaust emissions from rig engines and support traffic.

- d. The potential for fires, leaks, spills of gas and oil or water exists.
- e. During construction and drilling phases of the operation, noise and dust levels would increase.
- f. Distractions from aesthetics during the lifetime of the project would exist.
- g. Erosion from the site would eventually be carried as sediment in the Colorado River. The potential for pollution to Bitter Creek would exist through leaks and spills.
- h. If hydrocarbons would be discovered and produced, further development of the area could be expected to occur, which would result in the extraction of an irreplaceable resource, and further negative environmental impacts. These impacts include the cumulative loss of wildlife habitat due to the areas necessary for roads, pipelines, drillsites, and transmission lines. These actions may disrupt wildlife social behavior and force habitat relocation over an extended period of time. In addition, the cumulative effects of non-point erosion become substantial in a developing field, primarily those located near perennial streams where siltation and sedimentation are critical to aquatic life cycles.
- i. Other:
 - 1) Significant cuts and fills would be necessary to build proposed location.
 - 2) Narrowness of slope-bench necessitates narrowing of pad, with no attendant hazards posed to rig personnel.
 - 3) Rehabilitation efforts would be hampered by proposed cuts and fills.

2. Conditional approval

a. All adverse impacts described in section one above would occur, except

- 1) By rotating the wellsite about 40-45° to the northeast, contours would be paralleled resulting in:
 - a) Significant reductions in cuts and fills,
 - b) Improved pad stability,
 - c) Improved rehabilitation potential.
- 2) By narrowing the wellsite by 25' and moving the reserve pit the same 25', reserve pit integrity would be improved and rehabilitation efforts aided, with no increases in safety hazards to personnel.

Recommended Approval Conditions:

Drilling should be allowed, provided the following mitigative measures are incorporated into the proposed APD and adhered to by the operator:

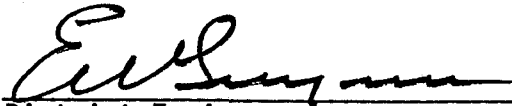
1. See attached Lease Stipulations. *None*
2. See attached BLM Stipulations.
3. Rotate wellsite 40-45° to the northeast, narrow the location by 25', and move the reserve pit in the same 25'.
4. Mining Supervisor requests resistivity, Gamma-Ray, or other appropriate electric logs covering all formations containing potentially valuable minerals subject to the Mineral Leasing Act of 1920.
5. Trees will be cleared at least two cat blades wide around blooie pit. Trees will be stockpiled on SW quadrant, beyond reserve pit.
6. Topsoils, where possible, will be windrowed on up-slope side.

Controversial Issues and Conservation Division Response: None known.

We have considered the proposed action in the preceding pages of this EA and find, based on the analysis of environmental considerations provided therein, no evidence to indicate that it will significantly (40 CFR 1508.27) impact the quality of the human environment.

Determination

I determine that the proposed action (as modified by the recommended approval conditions) does not constitute a major Federal action significantly affecting the quality of the human environment in the sense of NEPA, Section 102(2)(C).



DISTRICT ENGINEER

MAY 19 1980

Date

District Engineer
U. S. Geological Survey
Conservation Division
Oil & Gas Operations
Salt Lake City District

REFERENCES

- 1 BLM-Moab, Book Mountain Unit Resource Analysis
- 2 Keller, Edward A., Environmental Geology, 488 pages, 1976, Charles E. Merrill.
- 3 Utah State Division of Health, Conservation Committee, Utah Air Conservation Regulations, Revised February, 1979, Bureau of National Affairs, Inc.
- 4 Perkins, David M., Seismic Risk Maps, Reprint-Earthquake Information Bulletin, Nov-Dec 1974, Vol 6, No. 6.
- 5 von Hake, Carl A., Earthquake History of Utah, NOAA.
- 6 BLM-Utah, Final Initial Wilderness Inventory, 50 pp, August 1979, USDI.
- 7 Brown, Merle, Climates of the States - Utah, 15 pp, Climatography of the U.S., No. 60-42, Feb. 1960.

SEED MIXTURE
(Middle Bitter Creek)

Grasses

Oryzopsis hymenoides
Agropyron smithii

Indian Rice Grass
Western Wheatgrass

lbs./acre

2
2

Forbs

Medicago sativa
Hedysarum boreale utahensis

Ladak Alfalfa
Utah Sweetvetch

1
1

Shrubs

Purshia tridentato
Atriplex canescens
Cercocarpus ledifolius

Antelope Bitterbrush
Four-wing Saltbush
Curlleaf Mountain Mahogany

1
1
1

9

FROM: : DISTRICT GEOLOGIST, ME, SALT LAKE CITY, UTAH
TO: : DISTRICT ENGINEER, O&G, SALT LAKE CITY, UTAH
SUBJECT: APD MINERAL EVALUATION REPORT

Glinn

LEASE NO. U - 38276

OPERATOR: Texas Oil & Gas Corp. WELL NO. 2

LOCATION: NE $\frac{1}{4}$ SE $\frac{1}{4}$ SW $\frac{1}{4}$ sec. 34, T. 16S, R. 25E, SLM
Grand County, Utah

Stratigraphy: Operator logs appear reasonable, except that the surface is the Neslen Fm. (USGS map I-736)

Neslen Fm	surface
Dakota Silt	4235
Dakota SS	4300
San Arroyos SS	4315
Buckhorn SS	4465
Morrison Fm	4495

Fresh Water:

Fresh water may be encountered in the Mesaverde
Potential saline water in the Mancos

Leasable Minerals:

Prospectively valuable land for coal in the Neslen Fm.

Additional Logs Needed:

Resistivity for coal

Potential Geologic Hazards: None anticipated

References and Remarks: San Arroyos KGS within $\frac{1}{4}$ mile North
USGS map I-736

19 MAR REC'D

Signature: Gregory W Wood Date: 3 - 13 - 80



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Moab District
Grand Resource Area
P. O. Box M
Moab, Utah 84532

IN REPLY REFER TO

3100
(U-603)

April 30, 1980

02 MAY REC'D

Memorandum

To: Oil & Gas Office, USGS Conservation Division,
P.O. Box 3768, Grand Jct., CO 81502

From: Area Manager, Grand

Subject: Texas Oil and Gas Corporation
Valentine Federal No. 2, U-38276
Section 34, T. 16 S., R. 25 E., SLB&M
Grand County, Utah

On April 9, 1980, a representative from this office met with Glen Doyle, USGS, and Scott McGloughlin agent of Texas Oil and Gas Corporation for an inspection of the above referenced location. Subject to the attached conditions, I am approving the surface management portion of the Application for Permit to Drill.

The archaeological requirement has been fulfilled on this location and a copy is attached for your files. No threatened or endangered flora or fauna are indicated in the area.

Please forward the enclosed information to Texas Oil and Gas Corp.

C. Delano Backus

Enclosures (3)
1-Reclamation Procedures
2-Cultural Clearance
3-Seed Mixture



Save Energy and You Serve America!

STANDARD STIPULATIONS FOR OIL & GAS EXPLORATION

Contact this office at least 24 hours prior to beginning construction of access road and pad.

Stockpile the surface eight inches of topsoil in a wind-row on the south east quadrant of the location.

The upper banks (uphill side) of all cuts will be rounded during construction of the access road and pad.

Notify the BLM District Archaeologist if cultural material from sub-surface deposits is exposed during the operation.

The bottom half of the reserve pit will be lined with at least 1 inch of bentonite spread over the surface and raked into the soil.

The trash cage will be used during drilling operations.

The "blooey" line will be centered and directed into the pit.

If production is obtained, the access road will be upgraded to BLM specifications for long-term roads as outlined in the surface use standards section of the "Oil and Gas" pamphlet (joint BLM, USGS, and USFS publication).

If production is obtained, all production facilities will be painted "desert tan" or a similar color approved by the Grand Resource Area Manager.

Rehabilitation of the site and access road will be accomplished in accordance with the enclosed restoration procedures.

Production facilities and pipeline route are approved on this location under lease rights.

Entire location will be shifted 25 feet north, and by taking 25 feet out of location between the well and north boundary. Entire location will be turned clockwise north 45 degrees and to lay on ridge top.

Trees (pinyon-juniper) cleared off the location will be stocked beyond the reserve pit on the south west quadrant.

Trees will be cleared at least two cat blades wide around the blooey pit.

New access road - access road will enter pad from the center of the boundary.

Low water drainage crossings will be used along the access road from Bitter Creek to the well site. Road will be back sloped where possible.

Trees (pinyon-juniper) pushed off the road will be piled along the outside edge.

Travel surface will be 20 feet maximum, with turn out radius where needed. An 8% maximum grade will be maintained.

Top soils where possible will be windrowed along the up-slope side.

RECLAMATION PROCEDURES IN GRAND RESOURCE AREA

1. Disk or rip pads and access roads.
 - a. Overlap passes in order to insure complete treatment.
2. Contour pads and access roads.
 - a. Lay berms into centers.
 - b. Use cut material for fill areas.
 - c. Lay stockpiled surface soil over top of pads and spread evenly.
 - d. On highly erosive soils, it may be more beneficial to grade slopes to reduce steepness.
 - e. Do not smooth pads out, leave a roughened surface. On steeper slopes and slopes with clayey soils scarify or serrate the ground in order to increase water infiltration and reduce erosion.
3. Water bar roads where required by this office.

*	2%	Grade	-	200 ft. intervals
	2-4%	Grade	-	100 ft. intervals
	4-5%	Grade	-	75 ft. intervals
	5%	Grade	-	50 ft. intervals

* Actual spacing may vary according to soil stability. Lighter textured soils will require more frequent water bars. When natural drainage ways are present, water bars are to be constructed to make maximum use of them. Plan operations so that natural drainage ways do not become blocked.
4. Seed roads and pads in the fall (Oct. through mid-Dec.).

Memorandum

To: District Oil and Gas Engineer, Mr. Edward Guynn

From: Mining, Supervisor, Mr. Jackson W. Moffitt

Subject: Application for Permit to Drill (form 9-331c) Federal oil and gas lease No. U-38276 Well No 2

1. The location appears potentially valuable for:

- ☐ strip mining*
- ☒ underground mining** *and*
- ☐ has no known potential.

2. The proposed area is

- ☐ under a Federal lease for _____ under the jurisdiction of this office.
- ☒ not under a Federal lease under the jurisdiction of this office.
- ☒ Please request the operator to furnish resistivity, density, Gamma-Ray, or other appropriate electric logs covering all formations containing potentially valuable minerals subject to the Mineral Leasing Act of 1920.

*If location has strip mining potential:

Surface casing should be set to at least 50 feet below the lowest strip minable zone at _____ and cemented to surface. Upon abandonment, a 300-foot cement plug should be set immediately below the base of the minable zone.

**If location has underground mining potential:

The minable zones should be isolated with cement from a point 100 feet below the formation to 100 feet above the formation. Water-bearing horizons should be cemented in like manner. Except for salines or water-bearing horizons with potential for mixing aquifers, a depth of 4,000 feet has been deemed the lowest limit for cementing.

Signed Allen J. Danner

10 APR 1960

** FILE NOTATIONS **

DATE: April 10, 1980

Operator: Texas Oil & Gas Corporation

Well No: TXO Valentine Federal #2

Location: Sec. 34 T. 16S R. 25E County: Grand

File Prepared: ☒

Entered on N.I.D.: ☒

Card Indexed: ☒

Completion Sheet: ☒

☒ API Number 43-019-30640

CHECKED BY:

Geological Engineer: _____

Petroleum Engineer: M.J. Minder 5-5-80 To close to
unit boundary - will request taps except call 4-30-80
H. Harvey

Director: _____

C-3: too close to pt. - etc. line

APPROVAL LETTER:

Bond Required: ☐

Survey Plat Required: ☐

Order No. 149-2B 3/26/80

O.K. Rule C-3 ☐

Rule C-3(c), Topographic Exception/company owns or controls acreage within a 660' radius of proposed site ☐

Lease Designation 3d

Plotted on Map ☒

Approval Letter Written ☒
Wtm

#3

nl

PI

TEXAS OIL & GAS CORP.

1800 LINCOLN CENTER BUILDING
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

May 2, 1980

RECEIVED
MAY 5 1980

DIVISION OF
OIL, GAS & MINING

Utah Division of Oil, Gas & Mining
1588 West North Temple
Salt Lake City, Utah 84116

Re: Valentine Federal #2
Section 34-T16S-R25E
Grand County, Utah

Gentlemen:

Texas Oil & Gas Corp. requests permission to drill a well, the Valentine Federal #2, located 1627' FNL, 2084' FWL, Section 34-T16S-R25E, in Grand County, Utah (the well was moved to this location by the USGS from the staked location of 1639' FNL, 2062' FWL). This location does not conform to the spacing requirements for Section 34 which require wells within the section to be 1000' from the unit boundary. Unfortunately, because of the steep terrain, it would be prohibitively expensive to build a location to comply with these requirements. In addition, the potential for environmental damage would increase with the extensive road construction and cuts and fills associated with a pad located at an alternate site. The present location represents an area large enough and level enough to be both cost effective and to also minimize the necessary dirt work and subsequent potential for environmental damage. Therefore, Texas Oil & Gas Corp. requests a topographic exception to spacing for this well.

Attached is a topographic map showing the location of the well site. Texas Oil & Gas Corp. owns or controls the acreage within Section 34.

If you should have any questions, please contact me. Thank you.

Very truly yours,

TEXAS OIL & GAS CORP.

R. A. Varela

R. A. Varela
Manager, Drilling & Production

RAV/ck

enclosure

May 8, 1980

Texas Oil and Gas Corporation
1800 Lincoln Center Building
Denver, Colorado 80264

Re: Well No. TXO Valentine Federal #1, Sec. 35, T. 16S, R. 25E., Grand County, Utah
Well No. TXO Valentine Federal #2, Sec. 34, T. 16S, R. 25E., Grand County, Utah

Insofar as this office is concerned, approval to drill the above referred to gas wells is hereby granted in accordance with the Order issued in Cause No. 149-28 dated March 26, 1980.

Should you determine that it will be necessary to plug and abandon these wells, you are hereby requested to immediately notify the following:

MICHAEL T. MINDER - Petroleum Engineer
Office: 533-5771
Home: 876-3001

Enclosed please find Form OGC-8-X, which is to be completed whether or not water sands (aquifers) are encountered during drilling. Your cooperation in completing this form will be appreciated.

Further, it is requested that this Division be notified within 24 hours after drilling operations commence, and that the drilling contractor and rig number be identified.

The API numbers assigned to these wells are #1: 43-019-30639;
#2: 43-019-30640.

Sincerely,

DIVISION OF OIL, GAS AND MINING

Michael T. Minder
Petroleum Engineer

/b:tm

cc: USGS

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

DUPLICATE 38276

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/>			5. LEASE DESIGNATION AND SERIAL NO. 38276
b. TYPE OF WELL OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/> SINGLE ZONE <input checked="" type="checkbox"/> MULTIPLE ZONE <input type="checkbox"/>			6. IF INDIAN, ALLOTTEE OR TRIBE NAME -----
2. NAME OF OPERATOR Texas Oil & Gas Corp.			7. UNIT AGREEMENT NAME -----
3. ADDRESS OF OPERATOR 1800 Lincoln Center Building, Denver, CO 80264			8. FARM OR LEASE NAME TXO Valentine Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At 1632 ²⁰⁸⁴ FNL, 2062 FWL, Section 34-T16S-R25E- At proposed prod. zone <i>Location change</i>			9. WELL NO. 2
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 18 miles NW of Mack, Colorado			10. FIELD AND POOL, OR WILDCAT San Arroyo
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 319'			11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Section 34-T16S-R25E
16. NO. OF ACRES IN LEASE 360'			12. COUNTY OR PARISH 13. STATE Grand Utah
17. NO. OF ACRES ASSIGNED TO THIS WELL 320			19. PROPOSED DEPTH 4650'
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR, ON THIS LEASE, FT. 5806'			20. ROTARY OR CABLE TOOLS Rotary
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 6017' GR			22. APPROX. DATE WORK WILL START* May 1, 1980

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	9 5/8"	36# K-55 New	250'	Cement to Surface
6 1/4"	4 1/2"	10.5# K-55 New	4650'	Cement to Top at 4000'

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED *R. A. Varela* TITLE Drilling & Production Manager DATE February 26, 1980

(This space for Federal or State office use)

PERMIT NO. _____ APPROVAL DATE _____
APPROVED BY (Orig. Sgd.) R. A. Henricks FOR E. W. GUYNN
DISTRICT ENGINEER
CONDITIONS OF APPROVAL, IF ANY: _____ TITLE _____ DATE MAY 20 1980CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY

NOTICE OF APPROVAL

Utah State Oil & Gas

Production Facilities and Flowline NOT Approved

FLARING OR VENTING OF
GAS IS SUBJECT TO NTL 4-A
DATED 1/1/80

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

NAME OF COMPANY: Texas Oil and Gas

WELL NAME: Valentine Federal #2

SECTION 34 SE NW TOWNSHIP 16S RANGE 25E COUNTY Grand

DRILLING CONTRACTOR Calvert Western

RIG # 8

SPUDDED: DATE 6/7/80

TIME 11:00 p.m.

How rotary

DRILLING WILL COMMENCE ASAP

REPORTED BY Hugh Harvey

TELEPHONE # 303-861-4246

DATE June 10, 1980 SIGNED M. J. Munder

cc: USGS

TEXAS OIL & GAS CORP.

1800 LINCOLN CENTER BUILDING
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

July 24, 1980
Thursday

Division of Oil, Gas & Mining
1588 W. North Temple
Salt Lake City, Utah 84116

RE: Valentine Federal #2
Sec. 34-16S-25E
1639 FNL 2062 FWL
Grand County, Utah

Gentlemen:

Enclosed is an open hole log or logs of our captioned well.
This material is for your files as required by State regulation.
If this letter is stamped "TIGHT HOLE", would you please keep the
log(s) of this well confidential for the maximum period allowed by
regulation, or until we notify you to the contrary.

Very truly yours,

TEXAS OIL & GAS CORP.



Robert C. Dickinson
District Exploration Manager

Enclosure
RCD/ll

TIGHT HOLE

FILE IN TRIPLICATE
FORM OGC-8-X

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1588 West North Temple
Salt Lake City, Utah 84116

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well Name & Number Valentine Federal #2
Operator Texas Oil & Gas Corp. Address 1800 Lincoln Center Building
Denver, Colorado 80264
Contractor Calvert Western Address P.O. Box 2920
Grand Junction, Colorado 81502
Location SE 1/4 NW 1/4 Sec. 34 T. 16S R. 25E County Grand

Water Sands

	<u>Depth</u>	<u>Volume</u>	<u>Quality</u>
	From To	Flow Rate or Head	Fresh or Salty
1.	<u>425'</u>	<u>Mist</u>	<u>Salty</u>
2.			
3.			
4.			
5.			

(Continue of reverse side if necessary)

<u>Formation Tops</u>	Dakota Silt	4328'
	Dakota	4398'
	Buckhorn	4560'
<u>Remarks</u>	Morrison	4572'

- NOTE: (a) Report on this form as provided for in Rule C-20, General Rules and Regulations and Rules of Practice and Procedure.
- (b) If a water analysis has been made of the above reported zone, please forward a copy along with this form.

TEXAS OIL & GAS CORP.

1800 LINCOLN CENTER BUILDING
DENVER, COLORADO 80264

TELEPHONE (303) 861-4246

August 22, 1980

State of Utah
Department of Natural Resources
Division of Oil, Gas & Mining
1588 West North Temple
Salt Lake City, Utah 84116

Re: Valentine Federal #2
Section 34-T16S-R25E

Valentine Federal #1
Section 35-T16S-R25E

Grand County, Utah

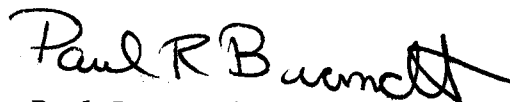
Gentlemen:

Enclosed please find two Reports of Water Encountered During Drilling,
with reference to the captioned wells.

If you have any questions, please do not hesitate to contact me.

Very truly yours,

TEXAS OIL & GAS CORP.

A handwritten signature in dark ink, appearing to read "Paul R. Brandt", with a stylized flourish at the end.

Paul R. Brandt
Engineer

PRB/ck

enclosures

January 5, 1981

Texas Oil & Gas Corporation
1800 Lincoln Center Building
Denver, Colorado 80264

RE: Well No. TXO Valentine Federal #2
Sec. 34, T. 16S, R. 25E.,
Grand County, Utah
July thru December 1980

RE; Well No. TXO Valentine Federal #1
Sec. 35, T. 16S, R. 25E.,
Grand County, Utah
June thru December 1980

Gentlemen:

Our records indicate that you have not filed the monthly drilling reports for the months indicated above on the subject wells.

Rule C-22, General Rules and Regulations and Rules of Practice and Procedure, requires that said reports be filed on or before the sixteenth (16) day of the succeeding month. This report may be filed on Form OGC-1B, (U.S. Geological Survey Form 9-331) "Sundry Notices and Reports on Wells", or on company forms containing substantially the same information. We are enclosing forms for your convenience.

Your prompt attention to the above will be greatly appreciated.

Very truly yours,

DIVISION OF OIL, GAS AND MINING

Barbara Hill
BARBARA HILL
WELL RECORDS

/bjh'
enclosures: forms

WELL NAME: VALENTINE FEDERAL 2
APFA: San Arroyo
LOCATION: Sec 34-16S-25E
COUNTY: Grand
STATE: Utah
ELEVATIONS: 6017 GL 6027 est KB
FOOTAGE: 1639' FNL, 2062' FWL

CONTRACTOR: Calvert Western #8
MID APPROVED:
EST. TD: 4780'
AFE NUMBER: 800760
LEASE NUMBER: 56021
TKO WI: 100%

COMPANY	CONTACT	ALTERNATE
TO&G 2700 Fidelity Union Tower Dallas, TX 75201	(214) 747-8341 Telecopy	J. D. Huppler
ARCO OIL & GAS 555 17th Street Anaconda Tower P. O. Box 5540 Denver, CO 80217	(303) 575-7178 Call Daily Mail Weekly Pamela Rudman	M. F. Gravender
Jackson Moffit Mining Div USGS 2040 Adm. Bldg. 1745 W. 1700 S Salt Lake City, UT 84104	Mail Weekly	

RECEIVED

JAN 12 1981

DIVISION OF
OIL, GAS & MINING

06/08/80 DD #1, 120' made 120' in 5 1/2 hrs, drlg, sd & sh, 8.6, 52. Pump Liner Size 5 1/2 x 12", SPM 80, Press 450. Bit Record No. 1, 12 1/4 RR, Y-13. Spud @ 11 pm 6/7/80. RURT 15 1/2 hrs, rig repair 3 hrs. Drlg 5 1/2 hrs. CW 7775

06/09/80 DD #2, 340' made 220' in 11 hrs, NU EOP, sd & sh, spud, 56. Bit No. 1 RR, 12 1/4, Y-13, out 340, ftg 290, hrs 16 1/2, Ran 7 jnts 9 5/8 36# K-55 csg. Total 337.77 Set @ 325'. Float @ 284, cmt w/200 sx Class "H" w/2% cc, 1/2# floseal, cmt circ, PD 7:30 pm. CW 18,231.

06/10/80 DD #3, 918' made 578' in 12 hrs, drlg, sd & sh, air, mist. Bit No. 2 RR, 8 3/4 F-3, ftg 578, hrs 12. 1 1/4° @ 561. Hole got wet @ 425'. Misting 6 bph @ 175#.

06/11/80 DD #4, 2180' made 1262' in 20 hrs, drlg, sd & sh, air, mist. Bit No. 2 RR, 8 3/4, F-3, Out 1098, Ftg 1045, hrs 17. Bit No. 3, 7 7/8, J-44, Ftg 1082, hrs 15. WOB 25-28. RPM 100. 1 1/4° @ 960', 1 1/4° @ 1170', 2° @ 1545, 2 1/4° @ 1848. DT 10,325, CW 36,601. DD 4.

06/12/80 DD #5, 3548' made 1368' in 20 hrs, TOO H to change rot head, sh, air, mist. Bit No. 3, 7 7/8, J-44, Ftg 2466, hrs 37. 2 1/4° @ 2320', 2 1/4° @ 2480', 2 3/4° @ 2765, 2 3/4° @ 3050, 2 1/2° @ 3370. CW 44,971.

06/13/80 DD #6, 4465 made 917 in 12 hrs, drlg, sd & sh, air mist, Bit No. 3, T 7/8, J-44, Out 3548, ftg 2466, hrs 37. Bit No. 4, 7 7/8 FP52, Ftg 912, hrs 12. 2 1/2° @ 3680. 2 3/4° @ 4110. CW 56,051.

06/14/80 DD #7, 4720' made 225' in 20 hrs. drlg, sd & sh, 8.7, 30, 3, PH 9.5. Bit No 4, 7 7/8, HP 52, Serial # 13644, Ftg 1167, hrs 32. 2° @ 4610. Rel air 10 am 6/13/80.

06/15/80 DD #8, 4800' made 80' in 11 1/2 hrs. TOO H, sd & sh 8.8, 35, 3.0, PH 9.5. Bit No. 4, 7 7/8, FP52, Ftg 1244, hrs 43 1/2. TD hole, C&C 1 hr. SOOH, Got stuck 60' off btm on TOO H. Jar upward 2 1/2 hr. Jars failed. Gained around 40'. Free point & back off. Fish in hole bt & 2 DC. Top of fish @ 4614'. TOO H.

06/16/80 DD #9, 4800' made 0', WO Schlumberger, 9.1, 34, 3, PH 9.0. Bit No. 4, 7 7/8, FP 52, out 4800, ftg 1252, hrs 43 1/2. 2° @ 4800'. Fin TOO H PU fsg tools. TIH & screwed into fsg jar down free fish. Clean 22' fill to btm. C&C hole. TOO H to log. Strap 4806. Drillers TD 4800. CW 80836.

06/17/80 DD #10, 4800 made 0', rng csg. 9.1, 35, 3, PH 9.0. Sit Nor. 4, 7 7/8, FP 52, out 4800, ftg 1250, hrs 43 1/2. CW 95,721.

06/18/80 DD #11, 4800' made 0. RDMORT. Ran 4 1/2 10.5# K-55 ST&C Cond A csg. Shoe @ 4762', Float @ 4722' cmt w/220 sxs 50-50 Poz w/2% gel, 5% KCl 5% NFRL. Disp w/75.3 bbl 3% KCl. PD 8:15 press test to 1000# Held OK. Full returns. Set 45000# on slips RR 4:00 pm 6/17/80.

HEART OIL & GAS CORP
DENVER DISTRICT
VALENTINE FEDERAL 2
Section 34-16S-25E
Grand County, Utah

- 6/19/80 WOCU.
- 6/20/80 PBTD 4722', MIRU CU. WO tbg. Tbg arrive 5:00 pm. Unload & SDFD.
- 6/21/80 PBTD 4722', RIH 2 3/8 tbg. Tag btm 4580'. Rel Dow & GW & order drlg equip. Hard btm collar on btm sticky. Act like rubber plug sticking unable to go deeper. RIH w/3 7/8" bit.
- 6/22/80 PBTD 4722', RU & drl out cmt to 4685. Unable to get acid. SD (4602'-14' to be perf)
- 6/23/80 PBTD 4722', SDFS.
- 6/24/80 PBTD 4722', Roll hole w/74 bbls, 3% KCl. Spot 1500 gal 7½ MSR acid. POOH RU GO. Run GR-corr-CBL. Perf 4602, 4617, 4565, 4568, 4529, 4533, 4517, 4520 w/2 jspf. Pmp acid into perfs w/36 bbl KCl. Br dwn 2500# to 1500# @ 3 1/2 BPM. ISIP 1250#, @ 3" O#, TIH w/138 jts tbg. Land @ 4308'. Remove BOP, install tree, made swb run, FL 1000'. Rig BD. SIFD.
- 6/25/80 PBTD 4722', Swb well in & F to pit. FCP 200# FTP 40# on 1/2" ch w/4 BWPH. Flow to pit ON. This am FCP 225# FTP 210#. Flowing dry gas. Est rate 1300 MCFD.
- 6/26/80 PBTD 4722', Installed orifice tester. IP 105# on 3/4" plate = 1427 MCFD @ 250# FTP w/very lite mist. Stab F for 2 hr. SI Dakota gas well. WOPL. FINAL REPORT!!
- 6/27/80 Correction to report on 6/24/80. Perf 4602-4614 (26 holes)
4565-4568 (8 holes)
4529-4533 (10 holes)
4517-4520 (8 holes)

February 11, 1981

Texas Oil & Gas Corporation
1800 Lincoln Center Building
Denver, Colorado 80264

RE: Well No. TXO Valentine Federal #1
Sec. 35, T. 16S, R. 25E.,
Grand County, Utah

RE: Well No. TXO Valentine Federal #2
Sec. 34, T. 16S, R. 25E.,
Grand County, Utah

Gentlemen:

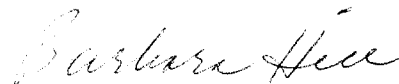
This letter is to advise you that the Well Completion or Recompletion Report and Log for the above mentioned well is due and has not been filed with this office as required by our rules and regulations.

Please complete the enclosed Form OGC-3, in duplicate, and forward them to this office as soon as possible.

Thank you for your cooperation relative to the above.

Very truly yours,

DIVISION OF OIL, GAS AND MINING



BARBARA HILL
WELL RECORDS

/bjh

Enclosure: forms

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUBMIT IN DUPLICATE*

(See other in-
structions on
reverse side)Form approved.
Budget Bureau No. 42-R355.5.

6

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

1a. TYPE OF WELL:				OIL WELL <input type="checkbox"/>	GAS WELL <input checked="" type="checkbox"/>	DRY <input type="checkbox"/>	Other _____		
b. TYPE OF COMPLETION:				NEW WELL <input checked="" type="checkbox"/>	WORK OVER <input type="checkbox"/>	DEEP-EN <input type="checkbox"/>	PLUG BACK <input type="checkbox"/>	DIFF. RESVR. <input type="checkbox"/>	Other _____
2. NAME OF OPERATOR								7. UNIT AGREEMENT NAME	
Texas Oil & Gas Corp.								---	
3. ADDRESS OF OPERATOR								8. FARM OR LEASE NAME	
1800 Lincoln Center Bldg., Denver, Colorado 80264								Valentine Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*								9. WELL NO.	
At surface 1639' FNL, 2062' FWL								2	
At top prod. interval reported below								10. FIELD AND POOL, OR WILDCAT	
At total depth								San Arroyo	
14. PERMIT NO. DATE ISSUED								12. COUNTY OR PARISH	
43-019-30640/								Grand	
								13. STATE	
								Utah	
15. DATE SPUDDED		16. DATE T.D. REACHED		17. DATE COMPL. (Ready to prod.)		18. ELEVATIONS (DF, RRB, RT, GR, ETC.)*		19. ELEV. CASINGHEAD	
6-7-80		6-14-80		6-25-80		6017 GR			
20. TOTAL DEPTH, MD & TVD		21. PLUG, BACK T.D., MD & TVD		22. IF MULTIPLE COMPL., HOW MANY*		23. INTERVALS DRILLED BY		ROTARY TOOLS CABLE TOOLS	
4800'				--		-->		0-4800' --	
24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*								25. WAS DIRECTIONAL SURVEY MADE	
Dakota								No	
26. TYPE ELECTRIC AND OTHER LOGS RUN								27. WAS WELL CORED	
DI-SFL, FDC-CNL								No	
28. CASING RECORD (Report all strings set in well)									
CASING SIZE		WEIGHT, LB./FT.		DEPTH SET (MD)		HOLE SIZE		CEMENTING RECORD	
9-5/8"		36# K-55		325'		12 1/4"		200 SXS	
4 1/2"		10.5# K-55		4762'		7-7/8"		220 SXS	
29. LINER RECORD									
SIZE		TOP (MD)		BOTTOM (MD)		SACKS CEMENT*		SCREEN (MD)	

30. TUBING RECORD									
SIZE		DEPTH SET (MD)		PACKER SET (MD)					
2-3/8"		4308		---					
31. PERFORATION RECORD (Interval, size and number)									
4602'-4614' (26 holes)									
4565--4568' (8 holes)									
4529'-4533' (10 holes)									
4517'-4520' (8 holes)									
32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.									
DEPTH INTERVAL (MD)					AMOUNT AND KIND OF MATERIAL USED				
4520- 4614					1500 gal 7 1/2% MSR				
33.* PRODUCTION									
DATE FIRST PRODUCTION		PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)						WELL STATUS (Producing or shut-in)	
-		Flowing						Shut-in	
DATE OF TEST		HOURS TESTED		CHOKE SIZE		PROD'N. FOR TEST PERIOD		OIL—BBL. GAS—MCF. WATER—BBL. GAS-OIL RATIO	
6-25-80		2		3/4		-->		0 119 trace -	
FLOW. TUBING PRESS.		CASING PRESSURE		CALCULATED 24-HOUR RATE		OIL—BBL. GAS—MCF. WATER—BBL. OIL GRAVITY-API (CORR.)			
250#				-->		0 1427 trace -			
34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)									
Vented									
35. LIST OF ATTACHMENTS									
None									
36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records									
SIGNED		L. A. Varela				TITLE		Drilling & Production Mgr.	
								DATE	
								July 3, 1980	

*(See Instructions and Spaces for Additional Data on Reverse Side)

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use Form 9-331-C for such proposals.)

1. oil ☐ gas ☒ other ☐

2. NAME OF OPERATOR
TXO Production Corp.

3. ADDRESS OF OPERATOR
1800 Lincoln Center Building, Denver, CO 80264

4. LOCATION OF WELL (REPORT LOCATION CLEARLY. See space 17 below.)
AT SURFACE: 1639' FNL 2062' FWL
AT TOP PROD. INTERVAL:
AT TOTAL DEPTH:

16. CHECK APPROPRIATE BOX TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

REQUEST FOR APPROVAL TO:

SUBSEQUENT REPORT OF:

TEST WATER SHUT-OFF ☐

☐

FRACTURE TREAT ☐

☐

SHOOT OR ACIDIZE ☐

☐

REPAIR WELL ☐

☐

PULL OR ALTER CASING ☐

☐

MULTIPLE COMPLETE ☐

☐

CHANGE ZONES ☐

☐

ABANDON* ☐

☐

(other) Operator Name Change

5. LEASE

U-38276

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME

8. FARM OR LEASE NAME

Valentine Federal

9. WELL NO.

#2

10. FIELD OR WILDCAT NAME

San Arroyo

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA

Sec. 34-T16S-R25E

12. COUNTY OR PARISH

Grand

13. STATE

Utah

14. API NO.

15. ELEVATIONS (SHOW DF, KDB, AND WD)

6017' GR

(NOTE: Report results of multiple completion or zone change on Form 9-330.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Effective September 1, 1981, the exploration and production activities of Texas Oil & Gas Corp. have been reorganized into a new corporate branch, TXO Production Corp. As a consequence, the operator name for this well is changed to "TXO Production Corp.", as indicated above in Item 2.

Subsurface Safety Valve: Manu. and Type _____ Set @ _____ Ft.

18. I hereby certify that the foregoing is true and correct

SIGNED Charles K. Curlee TITLE Environmental Adm. DATE _____
Charles K. Curlee

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____
CONDITIONS OF APPROVAL, IF ANY:

THE FOLLOWING METERS WILL HAVE CALIBRATION / SETTLEMENT TESTS RUN ON THE DATES INDICATED. STARTING TIME WILL BE 0800 OR AS SPECIFIED BELOW AND AT THE OFFICE OF THE NORTHWEST PIPELINE GRAND JUNCTION DISTRICT YOU WILL BE NOTIFIED SHOULD ANY CHANGES OCCUR IN THIS SCHEDULE. IF YOU HAVE ANY QUESTIONS ABOUT THE SCHEDULE, CONTACT OR WRITE THE DISTRICT OFFICE.

METER CODE	WELL NAME	LOC	RUN	DAY	MO/YR	STARTING TIME
92290018	VALENTINE FEDERAL #3 14S. 25E. 35	06	12	<u>7</u>	11/85	<u>1000</u>
92122018	ARCO FEDERAL D #1 14S. 25E. 34	06	12	<u>5</u>	12/85	<u>0900</u>
92129012	VALENTINE FEDERAL #2 14S. 25E. 34	06	12	<u>5</u>	12/85	<u>0800</u>
92238016	HANCOCK FEDERAL #1X 17S. 25E. 5	06	12	<u>12</u>	12/85	<u>1300</u>
92248011	HANCOCK FEDERAL #2 17S. 25E. 2	06	12	<u>12</u>	12/85	<u>1100</u>
92297012	NICOR FEDERAL #2 16S. 25E. 28	06	12	<u>12</u>	12/85	<u>1000</u>
92299015	GRYNBERG FEDERAL #1 16S. 25E. 28	06	12	<u>12</u>	12/85	<u>0900</u>
92322017	LAUCK FEDERAL #2 16S. 25E. 29	06	12	<u>10</u>	12/85	<u>0900</u>



UTAH
NATURAL RESOURCES
Oil, Gas & Mining

355 West North Temple, 3 Triad Center, Suite 350, Salt Lake City, Ut
84180-1203. • (801-538-5340)

Page 2 of 5

MONTHLY OIL AND GAS PRODUCTION REPORT

Operator name and address:

• TXO PRODUCTION CORP.
P. O. BOX 2690
CODY WY 82414
ATTN: R. P. MEABON

Utah Account No. N1580
Report Period (Month/Year) 12 / 90
Amended Report ☐

Well Name			Producing Zone	Days Oper	Production Volume		
API Number	Entity	Location			Oil (BBL)	Gas (MSCF)	Water (BBL)
4301930578	ARCO FEDERAL D-1	U-29645 16S 25E 34	DKTA✓				
4304731307	EVACUATION CREEK #1	ML-39868 11S 25E 36	BUKHN✓				
4304731532	CRACKER FED. #1	U-54197 11S 23E 8	WSTC✓				
4304731690	CRACKER FEDERAL #2	U-54197 11S 23E 8	WSTC✓				
4301930634	TEXAS PACIFIC ST 1	ML-4468A 16S 25E 36	DKTA✓				
4301930639	VALENTINE FED 1	U-38276 16S 25E 35	DKTA✓				
4301930640	VALENTINE FEDERAL 2	U-38276 16S 25E 34	DKTA✓				
4301930670	TEXAS PACIFIC ST 2	ML-4468A 16S 25E 36	DKTA✓				
4304731533	BRIDLE FEDERAL #1	U-47866 06S 22E 34	UNTA✓				
4304731655	BRIDLE FEDERAL #2	U-47866 06S 22E 34	UNTA✓				
4304731678	BRIDLE FEDERAL 3	U-47866 06S 22E 34	UNTA✓				
4301930698	MOXA FEDERAL 1	U-24638 16S 26E 9	DKTA✓				
4301930780	PTASYSKI FEDERAL 1	U-24603-A 17S 23E 15	DKTA✓				
TOTAL							

Comments (attach separate sheet if necessary) _____

I have reviewed this report and certify the information to be accurate and complete. Date _____

Authorized signature _____

Telephone _____

PLEASE COMPLETE FORMS IN BLACK INK

RECEIVED
JAN 24 1991



**Marathon
Oil Company**

P.O. Box 2690
Cody, Wyoming 82414
Telephone 307/587-4961

DIVISION OF
OIL, GAS & MINING

*Aug 1-2
-cc R Furth*

January 22, 1991

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

UTAH DIVISION OF OIL, GAS & MINING
3 Triad Center, Ste. 350
Salt Lake City, UT 84180-1203
Attention: State Director

Re: The Merger of TXO Production Corp. into
Marathon Oil Company

Gentlemen:

As Marathon Oil Company advised in its October 8, 1990 letter, TXO Production Corp., a Delaware corporation ("TXO") was being merged into Marathon Oil Company, an Ohio corporation ("Marathon"), on or before January 1, 1991. As stated in the October letter, before this merger, both TXO and Marathon were subsidiaries of USX Corporation.

Effective January 1, 1991, TXO was merged into Marathon, with Marathon becoming the surviving corporation, as evidenced by the enclosed Certificate of Merger signed by the Secretary of State for the State of Ohio. Due to this statutory merger, by operation of law, Marathon, as the surviving entity, has succeeded to all of the assets, property, rights, privileges, power and authority, and has assumed all obligations and liabilities of TXO which existed on the date of the merger.

Marathon requests that your records and filings be changed to reflect this merger, including making any appropriate change in your operator or ownership records. For the purposes of any change, mailing or notification, please substitute the following address and phone number for TXO:

Marathon Oil Company
Attention: Mr. R. P. Meabon
1501 Stampede Avenue
P. O. Box 2690
Cody, WY 82414
(307) 587-4961

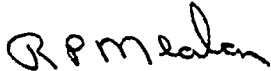
Utah Division of Oil, Gas & Mining
January 22, 1991
Page 2

Any bond in the name of TXO should be cancelled and all wells and properties shown on the attached Exhibit "A" should be placed on Marathon's statewide bond for the state of Utah.

Marathon respectfully requests that you acknowledge your receipt of this letter by signing the enclosed duplicate original of this letter in the space provided below, and returning it to me in the self-addressed, stamped envelope provided. Also, please provide Marathon with confirmation of the bond cancellations in accordance with the substitution requested above.

Marathon appreciates your patience and cooperation in this matter, and if Marathon can be of any further assistance, please feel free to contact this office.

Sincerely,



R. P. Meabon
Regulatory Coordinator
Rocky Mountain Region
Extension 3003

RPM:mh

Attachments

RECEIVED AND ACCEPTED THIS _____ DAY OF _____,
1991, BY:

[Governmental Agency or Department]

By _____
Name _____
Its _____
Title _____

UNITED STATES OF AMERICA,
STATE OF OHIO,
OFFICE OF THE SECRETARY OF STATE.

I, Sherrod Brown

do hereby certify that I am the duly elected, qualified and present acting Secretary of State for the State of Ohio, and as such have custody of the records of Ohio and Foreign corporations; that said records show an AGREEMENT OF MERGER of MARATHON PETROLEUM COMPANY, an Ohio corporation, Charter No. 7265, having its principal location in Findlay, County of Hancock, and incorporated on August 1, 1887, and TXO PRODUCTION CORP., a Delaware corporation, having qualified to do business within the State of Ohio on November 2, 1983, under License No. 623328, into MARATHON OIL COMPANY, an Ohio corporation, Charter No. 584981, the survivor of said Merger, filed in this office on December 24, 1990, recorded in the Records of Incorporation. Said surviving corporation, MARATHON OIL COMPANY, an Ohio corporation, Charter No. 584981, having its principal location in Findlay, County of Hancock, was incorporated on November 18, 1981 and is currently in GOOD STANDING upon the records of this office.

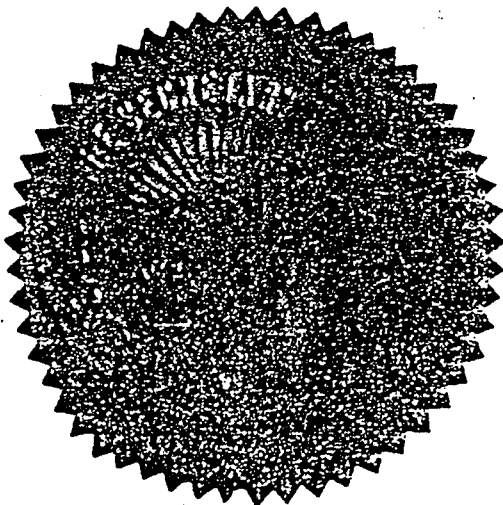
WITNESS my hand and official seal at

Columbus, Ohio, this

28th day of December, A.D. 1990

Sherrod Brown

Sherrod Brown
Secretary of State



DOG-m - FYI - From Connie LARSEN - TAX COMMISSION

Tax Compliance Division



**Marathon
Oil Company**

Findlay, Ohio 45840
Telephone 419/422-2121

January 23, 1991

N1580

TO WHOM IT MAY CONCERN:

Effective immediately after the close of business on December 31, 1990, TXO Production Corporation, taxpayer I.D. 75-1710388, a Delaware Corporation, was merged into Marathon Oil Company, taxpayer I.D. 25-1410539.

Following the merger, all business activity previously conducted by TXO Production Corporation will be conducted by and under the name of Marathon Oil Company.

Marathon Oil Company
Tax Organization

GRL:pah
GRL100T

REC'D USITC PH
FEB 14 1991

Send a copy to ROOM 2-21-91

A subsidiary of USX Corporation

Copy sent to Master
Sale Mail

Division of Oil, Gas and Mining
OPERATOR CHANGE WORKSHEET

Routing:

1- LCR	<input checked="" type="checkbox"/>
2- DTS	<input checked="" type="checkbox"/>
3- VLC	<input checked="" type="checkbox"/>
4- RJF	<input checked="" type="checkbox"/>
5- RWM	<input checked="" type="checkbox"/>
6- LQR	<input checked="" type="checkbox"/>

Attach all documentation received by the division regarding this change.

Initial each listed item when completed. Write N/A if item is not applicable.

☒ Change of Operator (well sold)

☐ Designation of Agent

☐ Designation of Operator

☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 1-1-91)

TO (new operator) MARATHON OIL COMPANY

FROM (former operator) TXO PRODUCTION CORP.

(address) P. O. BOX 2690

(address) P. O. BOX 2690

CODY, WY 82414

CODY, WY 82414

phone (307) 587-4961

phone (307) 587-4961

account no. N 3490

account no. N1580

Well(s) (attach additional page if needed):

MERGER

Name: <u>**SEE ATTACHED**</u>	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

- N/A 1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). (see documentation)
- See 2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). (Rec. 1-24-91)
- N/A 3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) ____ If yes, show company file number: _____.
- See 4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
- See 5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. (2-26-91)
- See 6. Cardex file has been updated for each well listed above.
- See 7. Well file labels have been updated for each well listed above.
- See 8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission.
- See 9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

TY REVIEW

1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 5, Entity Action Form).
2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

ND VERIFICATION (Fee wells only)

1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond. *(Federal & State wells only)*
2. A copy of this form has been placed in the new and former operators' bond files. *(upon completion of routing)*
3. The former operator has requested a release of liability from their bond (yes/no) yes. Today's date February 27, 1991. If yes, division response was made by letter dated March 1, 1991.

ASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated _____ 19____, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
2. Copies of documents have been sent to State Lands for changes involving State leases. *Sent 3-5-91*

ING

1. All attachments to this form have been microfilmed. Date: March 11 1991.

ING

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

MENTS

- 910204 Bbm/moa.b No doc. as of yet. (In the process of changing) Will call when approved.
Bbm/S.L. Book Cliffs Unit, Oil Springs Unit, Marble Mansion Unit (Not approved as of yet)
- 910204 St. Lands - No documentation as of yet. (Copy hand delivered 2-8-91) for
- 910222 Bbm/S.L. - Approved 2-20-91 - OK for DOGM to recognize eff. date 1-1-91. (T. Thompson)
- 910226 St. Lands - Needs additional info. "will take 2-3 weeks". (Proceed with change per DTS,
1/34-35

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
OIL AND GAS INSPECTION RECORD

OPERATOR: MARATHON OIL COMPANY

LEASE: U-38276

WELL NAME: VALENTINE FEDERAL 2

API: 43-019-30640

SEC/TWP/RNG: 34 16.0 S 25.0 E

CONTRACTOR:

COUNTY: GRAND

FIELD NAME: SAN ARROYO

DRILLING/COMPLETION/WORKOVER:

- APD	- WELL SIGN	- HOUSEKEEPING	- BOPE
- SAFETY	- POLLUTION CNTL	- SURFACE USE	- PITS
- OPERATIONS	- OTHER		

SHUT-IN _ / TA _:

- WELL SIGN	- HOUSEKEEPING	- EQUIPMENT *	- SAFETY
- OTHER			

ABANDONED:

- MARKER	- HOUSEKEEPING	- REHAB	- OTHER
----------	----------------	---------	---------

PRODUCTION:

Y WELL SIGN	Y HOUSEKEEPING	Y EQUIPMENT *	Y FACILITIES *
Y METERING *	Y POLLUTION CNTL	Y PITS	- DISPOSAL
Y SECURITY	Y SAFETY	- OTHER	

GAS DISPOSITION:

- VENTED/FLARED	Y SOLD	Y LEASE USE
-----------------	--------	-------------

LEGEND: Y = YES/SATISFACTORY N = NO/UNSATISFACTORY A = NOT APPLICABLE

*FACILITIES INSPECTED:

LOC., WH, MET, 2 PITS, COMP, SHED, 2 HTD SEP.

REMARKS:

PGW.

ACTION:

INSPECTOR: CHRIS KIERST

DATE: 09/18/91

LONE MOUNTAIN PRODUCTION COMPANY

P.O. BOX 3394
408 PETROLEUM BUILDING
BILLINGS, MONTANA 59103-3394
(406) 245-5077
FAX 248-6321

February 22, 1993

State of Utah
Dept. of Natural Resources
Division of Oil, Gas, & Mining
3 Triad Center, Suite 350
Salt Lake City, Utah 84180

Re: Change of Operator
Sundry Notices
Grand and Uintah Counties, Utah

Gentlemen:

Enclosed in triplicate are Sundry Notices for 53 wells located on Federal lands in Utah for which Lone Mountain Production Company is assuming operations effective February 22, 1993. Two separate lists of the wells and lease numbers, by sorted by BLM district, are attached. The wells were all previously operated by Marathon Oil Company. If any further information is needed please advise either me or Joe Dyk in our Grand Junction office.

Very truly yours,

Lone Mountain Production Company

James G. Routson

James G. Routson
President

Enclosures

xc: Joe Dyk
Marathon

RECEIVED

FEB 25 1993

DIVISION OF
OIL GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
Budget Bureau No. 1004-0135
Expires: March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT—" for such proposals

SUBMIT IN TRIPLICATE

RECEIVED

FEB 25 1993

DIVISION OF
OIL GAS & MINING

5. Lease Designation and Serial No.

U-38276

6. If Indian, Allottee or Tribe Name

7. If Unit or CA, Agreement Designation

CR-38

8. Well Name and No.

Valentine Fed. No. 2

9. API Well No.

43-019-30640

10. Field and Pool, or Exploratory Area

San Arroyo

11. County or Parish, State

Grand County, Utah

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

Lone Mountain Production Company

3. Address and Telephone No.

P.O. Box 3394, Billings, MT 59103

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

1639' FNL, 2062' FWL, Sec. 34-T16S-R25E
(SE $\frac{1}{4}$ NW $\frac{1}{4}$)

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
☒ Subsequent Report
☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
☐ Recompletion
☐ Plugging Back
☐ Casing Repair
☐ Altering Casing
☒ Other Change of Operator
☐ Change of Plans
☐ New Construction
☐ Non-Routine Fracturing
☐ Water Shut-Off
☐ Conversion to Injection
☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Lone Mountain Production Company has assumed operations of the above referenced well effective February 22, 1993. The former operator was Marathon Oil Company.

Bond Coverage is provided by Lone Mountain's Statewide Oil & Gas BLM Bond No. UT0719.

Field Operations will be handled by our Grand Junction office.

14. I hereby certify that the foregoing is true and correct

Signed James S. Rantow

Title Petroleum Engineer

Date Feb. 22, 1993

(This space for Federal or State office use)

Approved by _____
Conditions of approval, if any:

Title _____

Date _____

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*See Instruction on Reverse Side

RECEIVED

FEB 25 1993

UTAH FEDERAL WELLS

VERNAL BLM DISTRICT

DIVISION OF
OIL GAS & MINING

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
Shuffleboard Fed. No. 1	U-31255	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 27-T6S-R21E
Stirrup Fed. No. 28-1	U-34711	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 28-T6S-R21E
Stirrup Fed. No. 29-2	U-46699	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29-T6S-R21E
Stirrup Fed. No. 29-3	U-46699	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29-T6S-R21E
Football Fed. No. 29-4	U-46699	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 29-T6S-R21E
Croquet Fed. No. 1	U-53862	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 35-T6S-R21E
Croquet Fed. No. 2	U-53862	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 35-T6S-R21E
Croquet Fed. No. 3	U-53862	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 35-T6S-R21E
Bridle Fed. No. 1	U-47866	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 34-T6S-R22E
Bridle Fed. No. 2	U-47866	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 34-T6S-R22E
Bridle Fed. No. 3	U-47866	SW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 34-T6S-R22E
Bridle Fed. No. 4	U-47866	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 34-T6S-R22E
Cracker Fed. No. 1	U-54197	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 8-T11S-R23E
Cracker Fed. No. 2	U-54197	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 8-T11S-R23E
Cracker Fed. No. 3	U-54193	SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5-T11S-R23E
Cracker Fed. No. 4	U-54196	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 7-T11S-R23E
Marble Mansion Unit #1	U-54201	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 18-T11S-R23E
Wells Fed. A No. 1	U-54198	SW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 12-T11S-R23E
Oil Springs Unit #5	U-08424-A	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5-T12S-R24E
Oil Springs Unit #7	U-08424-A	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 4-T12S-R24E
Oil Springs Unit #10	U-08424-A	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 5-T12S-R24E

UTAH FEDERAL WELLS

MOAB BLM DISTRICT

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
Bookcliffs Unit No. 1	U-036905	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 32-T18S-R22E
Bookcliffs Unit No. 3	U-036905	Sw $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 33-T18S-R22E
Hancock Fed. No. 2	U-38720	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 5-T17S-R25E
Hougen Fed. No. A-1	U-42480	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 14-T17S-R24E
TXO-POGO-USA No. 15-9	U-49535	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 15-T17S-R24E
Callister Fed. No. 1	U-38363	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 24-T16S-R24E
Ptasynski Fed. No. 1	U-24603-A	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 15-T17S-R23E
Arco Fed. B No. 1	U-9831	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 6-T16S-R25E
Arco Fed. C No. 1	U-06188-B	NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 35-T16S-R25E
Arco Fed. D No. 1	U-29645	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 34-T16S-R25E
Arco Fed. H No. 1	U-0126528	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 12-T16S-R25E
Grynberg Fed. No. 1	U-13653	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 28-T16S-R25E
Lauck Fed. A No. 1	U-34033	SE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 29-T16S-R25E
Lauck Fed. No. 2	U-34033	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 29-T16S-R25E
Nicor Fed. No. 1	U-31807	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 28-T16S-R25E
Nicor Fed. No. 2	U-13653	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. ²⁸ 33 -T16S-R25E
Valentine Fed. No. 1	U-38276	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 35-T16S-R25E
Valentine Fed. No. 2	U-38276	SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 34-T16S-R25E
Valentine Fed. No. 3	U-38276	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 35-T16S-R25E
Wall Fed. No. 1	U-24632	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 30-T16S-R25E
Bennion Fed. No. 1	U-24632	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 30-T16S-R25E
Harvey Fed. No. 1-X	U-10427	Sw $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5-T16S-R25E

UTAH FEDERAL WELLSMOAB BLM DISTRICT

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
BMG Fed. No. 1	U-05015	NE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 8-T16S-R26E
BMG Fed. No. 2	U-05015	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 8-T16S-R26E
BMG Fed. No. 3	U-05015-A	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 18-T16S-R26E
BMG Fed. No. 4	U-05015-A	NW $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 17-T16S-R26E
BMG Fed. No. 5	U-05015-A	NW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 18-T16S-R26E
BMG Fed. No. 7	U-05015-A	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 17-T16S-R26E
Credo Fed. No. 1	U-24638	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 5-T16S-R26E
Credo Fed. A No. 1	U-24638	SE $\frac{1}{4}$ NW $\frac{1}{4}$ Sec. 5-T16S-R26E
Moxa Fed. No. 1	U-24638	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 9-T16S-R26E
Moxa Fed. A No. 1	U-24638	NE $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 4-T16S-R26E

UTAH STATE WELLS

<u>WELL</u>	<u>LEASE NO.</u>	<u>LOCATION</u>
Texas Pacific No. 1	ML-4468-A	NW $\frac{1}{4}$ SE $\frac{1}{4}$ Sec. 36-T16S-R25E Grand County
Texas Pacific No. 2	ML-4468-A	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 36-T16S-R25E Grand County
Little Berry No. 1	ML-21061	SW $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 2-T16S-R23E Grand County
Evacuation Creek No. 1	ML-39868	SE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 36-T11S-R25E Uintah County
Evacuation Creek A No. 1	ML-28043	NE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 2-T12S-R25E Uintah County
Evacuation Creek 23-2-1	ML-28043	NE $\frac{1}{4}$ SW $\frac{1}{4}$ Sec. 2-T12S-R25E Uintah County
Stirrup No. 32-1	ML-22036	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32-T6S-R21E Uintah County
Stirrup No. 32-2	ML-22036	SE $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32-T6S-R21E Uintah County
Stirrup No. 32-4	ML-22036	NW $\frac{1}{4}$ NE $\frac{1}{4}$ Sec. 32-T6S-R21E Uintah County

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

SUNDRY NOTICES AND REPORTS ON WELLS <small>(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)</small>		5. LEASE DESIGNATION & SERIAL NO. See Below
1. OIL WELL <input type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN ALLOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Marathon Oil Company		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P.O. Box 2690, Cody, Wyoming 82414		8. FARM OR LEASE NAME See Below
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface At proposed prod. zone See Below		9. WELL NO. See Below
14. API NO. See Below		10. FIELD AND POOL, OR WILDCAT See Below
15. ELEVATIONS (Show whether DF, RT, GR, etc.)		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA See Below
12. COUNTY Grand and Uintah		13. STATE Utah

RECEIVED
 FEB 25 1993

DIVISION OF
OIL GAS & MINING

15. Check Appropriate Box To Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
TEST WATER SHUT-OFF <input type="checkbox"/>	PULL OR ALTER CASING <input type="checkbox"/>	WATER SHUT-OFF <input type="checkbox"/>	REPAIRING WELL <input type="checkbox"/>
FRACTURE TREAT <input type="checkbox"/>	MULTIPLE COMPLETE <input type="checkbox"/>	FRACTURE TREATMENT <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
SHOOT OR ACIDIZE <input type="checkbox"/>	ABANDON <input type="checkbox"/>	SHOOTING OR ACIDIZING <input type="checkbox"/>	ABANDONMENT* <input type="checkbox"/>
REPAIR WELL <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	(Other) _____	(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)
(Other) _____		DATE OF COMPLETION _____	

APPROX. DATE WORK WILL START _____

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)

* Must be accompanied by a cement verification report.

On 2/22/93 with an effective date of October 1, 1992, Marathon Oil Company sold all of its rights, title and interests shown on Exhibit 'A' and 'B' to:

Lone Mountain Production Company
P.O. Box 3394, 408 Production Building
Billings, Montana 59103-3394

By copy of this sundry notice to Lone Mountain Production Company, Marathon is advising that Lone Mountain Production Company is responsible for operating these leases and wells within the federal and state rules and regulations.

Utah O&G--cc: WRF,RDS,CLB,RPM,KJI,TITLE AND CONTR(HOU),ACCTG.,CFR,LONE MTN. PROD.

18. I hereby certify that the foregoing is true and correct

SIGNED R.P. Meabon TITLE Regulatory Coordinator DATE 2/23/93

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY: _____

List of Properties sold by Marathon Oil Company to Lone Mountain Production Company, P.O. Box 3394, 408 Petroleum Building, Billings, Montana 59103-3394

WELL	LOCATION	LEASE	API #
North Horse Point Field			
Little Berry State #1	SW/4 SW/4, Sec. 2-16S-23E	ML-21061	043-019-31075
BAR X West Field			
Hancock Federal #2	NW/4 SW/4, Sec. 5-17S-25E	U-38720	043-019-30833
Bryson Canyon Field			
Hougen Federal A#1- St #1	SW/4 SW/4 Sec. 14-17S-24E	U-42480	043-019-30799
TXO Pogo USA #19-9	NE/4 SE/4, Sec. 15-17S-24E	U-49535	043-019-30779
East Canyon Field			
Callister Federal #1	NW/4 SE/4 Sec. 24-16S-24E	U-38363	043-019-30857
Ptasynski Federal #1	NE/4 NW/4 Sec. 15-17S-23E	U-24603-A	043-019-30780
Horseshoe Bend Field			
Bridle Federal #1	SW/4 SW/4 Sec. 34-6S-22E	U-47866	043-047-31533
Bridle Federal #2	NE/4 SE/4 Sec. 34-6S-22E	U-47866	043-047-31655
Bridle Federal #3	SE/4 NE/4 Sec. 34-6S-22E	U-47866	043-047-31678
Bridle Federal #4	SE/4 NE/4 Sec. 34-6S-22E	U-47866	043-047-31866
Croquet Federal #1	SE/4 NE/4 Sec. 35-6S-21E	U-53862	043-047-31440
Croquet Federal #2	NE/4 SE/4 Sec. 35-6S-21E	U-53862	043-047-31672
Croquet Federal #3	NE/4 NW/4 Sec. 35-6S-21E	U-53862	043-047-31867
Football Fed #29-4	SE/4 SW/4 Sec. 29-6S-21E	U-46699	043-047-31883
Shuffleboard Fed #1	NE/4 NE/4 Sec. 27-6S-21E	U-31255	043-047-31668
Stirrup Fed. #28-1	NW/4 SW/4 Sec. 28-6S-21E	U-34711	043-047-31571
Stirrup Fed. #29-2	NW/4 SE/4 Sec. 29-6S-21E	U-46699	043-047-31508
Stirrup Fed. #29-3	SE/4 SE/4 Sec. 29-6S-21E	U-46699	043-047-31634
Stirrup State #32-1	NW/4 NE/4 Sec. 32-6S-21E	ML-22036	043-047-31557
Stirrup State #32-2	SE/4 NE/4 Sec. 32-6S-21E	ML-22036	043-047-31626
Stirrup State #32-4	NW/4 NE/4 Sec. 32-6S-21E	ML-22036	043-047-31648
Rockhouse Field			
Cracker Fed. #1	SE/4 NE/4 Sec. 8-11S-23E	U-54197	043-047-31532
Cracker Fed. #2	SE/4 SE/4 Sec. 8-11S-23E	U-54197	043-047-31690
Cracker Fed. #3	SW/4 SE/4 Sec. 5-11S-23E	U-54193	043-047-31689
Cracker Fed. #4	SE/4 NE/4 Sec. 7-11S-23E	U-54196	043-047-31748
Marble Mansion #1	SE/4 SE/4 Sec. 18-11S-23E	U-54201	043-047-31865
Wells Fed. A #1	SW/4 SE/4 Sec. 12-11S-23E	U-54198	043-047-31603

San Arroyo Field

Arco Fed. B #1	SE/4 SE/4 Sec. 6-16S-25E	U-9831	043-019-30552
Arco Fed. C #1	NW/4 NW/4 Sec. 35-16S-25E	U-06188-B	043-019-30572
Arco Fed. D #1	NE/4 SE/4 Sec. 34-16S-25E	U-29645	043-019-30578
Arco Fed. H #1	NW/4 SW/4 Sec. 12-16S-25E	U-0126528	043-019-31002
Bennion Fed. #1	NE/4 NW/4 Sec. 30-16S-25E	U-24632	043-019-30893
BMG Fed. #1	NE/4 NW/4 Sec. 8-16S-26E	U-05015	043-019-31017
BMG Fed. #2	SW/4 SW/4 Sec. 8-16S-26E	U-05015	043-019-31108
BMG Fed. #3	SW/4 SW/4 Sec. 8-16S-26E	U-05015-A	043-019-31114
BMG Fed. #4	NW/4 NW/4 Sec. 17-16S-26E	U-05015-A	043-019-31130
BMG Fed. #5	NW/4 SW/4 Sec. 8-16S-26E	U-05015-A	043-019-31131
BMG Fed. #7	NW/4 SE/4 Sec. 17-16S-26E	U-05015-A	043-019-31183
Bookcliffs #1	SE/4 SE/4 Sec. 32-18S-22E	U-036905	043-019-15410
Bookcliffs #3	SW/4 NE/4 Sec. 33-18S-22E	U-036905	043-019-15411
Credo Fed. #1	NE/4 SE/4 Sec. 5-16S-26E	U-24638	043-019-30797
Credo Fed. A #1	SE/4 NW/4 Sec. 5-16S-26E	U-24638	043-019-30798
Grynberg Fed. #1	NE/4 SW/4 Sec. 28-16S-25E	U-13653	043-019-30657
Harvey Fed. #1-X	SW/4 SE/4 Sec. 5-16S-25E	U-10427	043-019-30574
Lauck Fed. A #1	SE/4 SE/4 Sec. 29-16S-25E	U-34033	043-019-30990
Lauck Fed. #2	NW/4 SW/4 Sec. 29-16S-25E	U-34033	043-019-31109
Moxa Fed. #1	SW/4 SW/4 Sec. 9-16S-26E	U-24638	043-019-30698
Moxa Fed. A #1	NE/4 SE/4 Sec. 4-16S-26E	U-24638	043-019-30792
Nicor Fed. #1	NW/4 NE/4 Sec. 28-16S-25E	U-31807	043-019-30656
Nicor Fed. #2	NW/4 NE/4 Sec. 33-16S-25E	U-13653	043-019-31020
Texas Pac St #1	NW/4 SE/4 Sec. 36-16S-25E	ML-4468-A	043-019-30634
Texas Pac St #2	SW/4 SW/4 Sec. 36-16S-25E	ML-4468-A	043-019-30670
Valentine Fed. #1	SE/4 SW/4 Sec. 35-16S-25E	U-38276	043-019-30639
Valentine Fed. #2	SE/4 NW/4 Sec. 34-16S-25E	U-38276	043-019-30640
Valentine Fed. #3	SE/4 SW/4 Sec. 35-16S-25E	U-38276	043-019-31009
Wall Fed. #1	NE/4 SW/4 Sec. 30-16S-25E	U-24632	043-019-30838

Oil Springs Field

Oil Springs #5	NE/4 SW/4 Sec. 5-12S-24E	U-08424-A	043-047-15930
Oil Springs #7	SE/4 SW/4 Sec. 4-12S-24E	U-08424-A	043-047-31248
Oil Springs #10	NE/4 NE/4 Sec. 5-12S-24E	U-08424-A	043-047-31656

Evacuation Creek Field

Evacuation Creek State A #1	NE/4 NE/4 Sec. 2-12S-25E	ML-28043	043-047-31674
Evacuation Cr. #23-2-1	NE/4 SW/4 Sec. 2-12S-25E	ML-28043	043-047-15675
Evacuation Creek State #1	SE/4 SW/4 Sec. 36-11S-25E	ML-39868	043-047-31307

1-LEC	7-1220
2-DPS	13
3-VLC	✓
4-RJF	✓
5-RWM	✓
6-ADA	✓

Attach all documentation received by the division regarding this change.
Initial each listed item when completed. Write N/A if item is not applicable.

☒ Change of Operator (well sold) ☐ Designation of Agent
☐ Designation of Operator ☐ Operator Name Change Only

The operator of the well(s) listed below has changed (EFFECTIVE DATE: 2-22-93)

TO (new operator)	<u>LONE MTN PRODUCTION CO</u>	FROM (former operator)	<u>MARATHON OIL COMPANY</u>
(address)	<u>P. O. BOX 3394</u>	(address)	<u>P. O. BOX 2690</u>
	<u>BILLINGS, MT 59103-3394</u>		<u>CODY, WY 82414</u>
	<u>phone (406) 245-5077</u>		<u>phone (307) 587-4961</u>
	<u>account no. N 7210</u>		<u>account no. N 3490</u>

Well(s) (attach additional page if needed):

Name: **SEE ATTACHED**	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____
Name: _____	API: _____	Entity: _____	Sec _____	Twp _____	Rng _____	Lease Type: _____

OPERATOR CHANGE DOCUMENTATION

1. (Rule R615-8-10) Sundry or other legal documentation has been received from former operator (Attach to this form). *(Rec'd 2-25-93)*
2. (Rule R615-8-10) Sundry or other legal documentation has been received from new operator (Attach to this form). *(Rec'd 2-25-93)*
3. The Department of Commerce has been contacted if the new operator above is not currently operating any wells in Utah. Is company registered with the state? (yes/no) _____ If yes, show company file number: _____
4. (For Indian and Federal Wells ONLY) The BLM has been contacted regarding this change (attach Telephone Documentation Form to this report). Make note of BLM status in comments section of this form. Management review of Federal and Indian well operator changes should take place prior to completion of steps 5 through 9 below.
5. Changes have been entered in the Oil and Gas Information System (Wang/IBM) for each well listed above. *(3-30-93)*
6. Cardex file has been updated for each well listed above. *(3-30-93)*
7. Well file labels have been updated for each well listed above. *(3-30-93)*
8. Changes have been included on the monthly "Operator, Address, and Account Changes" memo for distribution to State Lands and the Tax Commission. *(3-30-93)*
9. A folder has been set up for the Operator Change file, and a copy of this page has been placed there for reference during routing and processing of the original documents.

ENTITY REVIEW

1. (Rule R615-8-7) Entity assignments have been reviewed for all wells listed above. Were entity changes made? (yes/no) no (If entity assignments were changed, attach copies of Form 6, Entity Action Form).
2. State Lands and the Tax Commission have been notified through normal procedures of entity changes.

BOND VERIFICATION (Fee wells only)

1. (Rule R615-3-1) The new operator of any fee lease well listed above has furnished a proper bond.
2. A copy of this form has been placed in the new and former operators' bond files.
3. The former operator has requested a release of liability from their bond (yes/no) no. Today's date 3/31/93 1993. If yes, division response was made by letter dated 3/31/93 1993.

LEASE INTEREST OWNER NOTIFICATION RESPONSIBILITY

1. (Rule R615-2-10) The former operator/lessee of any fee lease well listed above has been notified by letter dated 3/31/93 1993, of their responsibility to notify any person with an interest in such lease of the change of operator. Documentation of such notification has been requested.
2. Copies of documents have been sent to State Lands for changes involving State leases.

MICROFILMING

1. All attachments to this form have been microfilmed. Date: 3/31/93 1993.

FILED

1. Copies of all attachments to this form have been filed in each well file.
2. The original of this form and the original attachments have been filed in the Operator Change file.

COMMENTS

- 930316 Btm/maab Approved some of the wells on 3-10-93 eff. 2-23-93. (See other change)
- 930323 Btm/Wernal Approved some of the wells on 3-16-93 eff. 10-1-92. The remaining wells are unitized or under a C.A. (will be handled on separate change).
- 930330 Btm/S.Y. Approved C.A. changes eff. 3-26-93.
- Unit operator changes approved 3-25-93. (Booker Hills, Marble Mansion, Oil Springs)

Bureau of Land Management
Branch of Fluid Minerals
P.O. Box 45155
Salt Lake City, Utah 84145-0155

March 26, 1993

Lone Mountain Production Company
P.O. Box 3394
Billings, Montana 59103-3394

Re: Successor of Operator
Communitization Agreement (CA)
CR-38
Grand County, Utah

Gentlemen:

We received an indenture dated February 22, 1993, whereby Marathon Oil Company resigned as Operator and Lone Mountain Production Company was designated as Operator for CA CR-38, Grand County, Utah.

This instrument is hereby accepted effective as of March 26, 1993. In approving this designation, the Authorized Officer neither warrants nor certifies that the designated party has obtained all required approval that would entitle it to conduct operations under CA CR-38.

Your statewide (Utah) oil and gas bond No. 0719 will be used to cover CA operations.

Please advise all interested parties of the change in operator. Copies of the approved instruments are being distributed to the appropriate federal offices, with one copy returned herewith.

Sincerely,

(Orig. Sgd.) R. A. Henricks

Robert A. Henricks
Chief, Branch of Fluid Minerals

Enclosure

bcc: District Manager - Moab (w/enclosure)
Division Oil, Gas, & Mining
File - CR-38 (w/enclosure)
MMS - Data Management Division
Agr. Sec. Chron
Fluid Chron
U-922:TAThompson:tt:09-30-92

WELL STATUS REPORTS
UTAH STATE OFFICE

INSPECTION ITEM	API NO.	WELL NUMBER	QTQT	SEC	TWN	RNG	WELL STATUS	LEASE NAME	OPERATOR
** INSPECTION ITEM CR38 CR38	430193064000S1 2		SE	NW	34	16S	25E	PGW UTU38276	MARATHON OIL COMPANY

Marathon Oil Company
Change of Operator

CONDITIONS OF APPROVAL

We have reviewed your proposal for technical adequacy and concur with the request providing the following stipulations are included as a part of the approval.

1. This change of operator approval is for the following wells only:

<u>WELL NAME & NUMBER</u>	<u>LEASE NUMBER</u>
Stirrup Fed. 28-1	U - 34711
Stirrup Fed. 29-2	U - 46699
Stirrup Fed. 29-3	U - 46699
Stirrup Fed. 29-4	U - 46699
Croquet Fed. 1	U - 53862
Croquet Fed. 3	U - 53862
Bridle Fed. 1	U - 47866
Bridle Fed. 2	U - 47866
Bridle Fed. 3	U - 47866
Bridle Fed. 4	U - 47866
Cracker Fed. 1	U - 54197
Cracker Fed. 2	U - 54197
Cracker Fed. 3	U - 54193
Cracker Fed. 4	U - 54196
Wells Fed. 1	U - 54198

2. The other wells as listed in the attachment to this sundry notice are denied. The reason for denial is because the wells are either in a Communitization Agreement (C.A.) or a Federal Unit or they are located outside of the Vernal District. Changes of operator for wells that are C.A.s or Federal Units needed to be filed with our BLM State Office in Salt Lake City, Utah. The changes for the other wells will need to be filed in the appropriate District or Resource Area Office.

RECEIVED

MAR 22 1993

DIVISION OF
OIL GAS & MINING